## BEFORE

## THE PUBLIC SERVICE COMMISSION OF

## SOUTH CAROLINA

OCTOBER 26, 1995

IN RE: Application of Duke Power Company ) ORDER ON for Approval of an Integrated Resource ) REVISION OF Plan (IRP). ) DSM PROGRAMS

This matter comes before the Public Service Commission of South Carolina (the Commission) on the August 1, 1995 proposal of Duke Power Company (Duke or the Company) for approval by this Commission to modify and consolidate six (6) residential demand-side management (DSM) programs into three (3) new programs. The 6 programs to be consolidated are the High Efficiency Heat Pump and Central Air Conditioning Payment Program, the Duct Sealing Payment Program for New Residential Structures, the Manufactured Housing Payment Program for New Residential Structures, the HVAC Tune-Up Program, the Residential Insulation Loan Program, and the Residential Comfort Machine Loan Program. According to Duke, these programs will be consolidated into 3 new programs: the New Residential Housing Program, the Existing Residential Housing Program, and the Nonresidential Heat Pump The Company has submitted to this Commission a detailed summary of the proposed changes in these programs. Duke notes that the proposed changes involve one-time incentives or loans for installation of qualifying equipment or measures in new and existing facilities. The programs do not include any continuing credits or payments, therefore, only customers participating in the programs after October 31, 1995 would be affected.

Duke states that in response to the increasingly competitive electric industry, it is shifting its DSM emphasis from energy efficiency programs with large incentive payments to programs designed to encourage the efficient use of electricity year-round with less dependence on incentive payments. The requested changes are designed to increase the overall effectiveness of the programs. According to Duke, the changes will lower program costs by lowering incentive payments and improving program delivery mechanisms.

The Commission has examined this matter, and believes that the proposal is consistent with the Company's Integrated Resource Plan (IRP) program originally filed under Docket No. 92-208-E. Duke may therefore make the proposed changes at the present time, but should report the results of the changes to the Commission at such intervals as may be appropriate.

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This Order shall remain in full force and effect until further Order of the Commission.

BY ORDER OF THE COMMISSION:

Rudoge Mitchell

ATTEST:

Executive Director

(SEAL)